AFRICAN EXPORT-IMPORT BANK

ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

INTRODUCTION

This publication discusses the consolidated financial statements of African Export-Import Bank ("the Bank") and its wholly owned subsidiaries (together, "the Group"). The following are the subsidiaries within the Group: a) the Fund for Export Development in Africa (FEDA) platform, comprising specific wholly owned Afreximbank subsidiaries namely FEDA Holdings, FEDA Investment Management, and FEDA Capital; and b) Afreximbank Insurance Management Company (AfrexInsure); c) African Medical Centre of Excellence Limited (AMCE); and d) African Quality Assurance Centre Limited (AQAC). The ensuing discussion presents the Group's audited consolidated and separate Statements of Financial Position, Statements of Comprehensive Income, and Statements of Cash Flows for the year ended 31 December 2023.

OPERATING ENVIRONMENT

The year 2023 was characterised by geopolitical conflicts and tensions, notably the Ukraine crisis and the Gaza conflict. These conflicts, coupled with lingering issues from 2022, such as high inflation levels, elevated interest rates, widespread sovereign debt problems, significant exchange rate volatilities, and a slowdown in the Chinese economy, dampened economic growth and created uncertainties. Whilst the US economy marginally expanded towards the end of 2023, the UK and Japanese economies slipped into recession, with the Euro area remaining stagnant. Consequently, the global economy experienced modest growth of 3% in 2023, driven more by developing countries. Given these challenges, it is expected that the global economy will continue to perform modestly, with a projected growth rate of 2.9% for 2024.

Despite the economic challenges experienced by African countries during 2023 arising from a plethora of headwinds, amongst others, inflationary pressures, elevated interest rates, shortages of foreign currency, debt sustainability concerns, supply chain disruptions, escalating geopolitical tensions, ripple effects of climate change and the downgrading of some of the key African economies by credit rating agencies, the continent is estimated to have grown by 4% during the year. It is also anticipated that the continent will be a significant driver of global economic growth, yet again, in 2024. This will largely be driven by a combination of factors including economic diversification away from commodity dependence, positive developments in key export markets, conscious strategic investments in key growth sectors, as well as the stabilization of the economies of developed markets, particularly with respect to inflation and interest rates.

Despite these challenges and constraints, Afreximbank's management remained focused on supporting member countries by offering customized programmes and facilities designed to address the distinctive needs of the continent. These efforts and interventions assisted member countries in meeting trade finance commitments, accessing crucial imports, boosting food security and commodity production, alleviating supply chain bottlenecks, and adjusting to challenges arising from climate change.

Management is pleased with the financial outcome for 2023, which exceeded the year's projections and significantly surpassed the 2022 performance. This outcome was achieved despite the challenging operating environment mentioned earlier. The results are discussed in detail hereunder.

SUMMARY OF GROUP FINANCIAL RESULTS

The financial results of the Group are summarised hereunder.

- Gross income reached US$2.6 billion for the year ended 31 December 2023, compared to US$1.5 billion for the year ended 31 December 2022, an increase of 74.2 percent;
- Net interest income increased by 58.67 percent to reach US$1.4 billion compared to 2022;
- Net Income increased by 66.07 percent to reach US$756.1 million, compared to the prior year level of US$455.3 million;
- Total on-balance sheet assets closed 2023 at a level of US$33.5 billion compared to US$27.9 billion recorded as at 31 December 2022;
- Total assets and contingencies (Guarantees and Letters of credit) reached US$37.3 billion, a 19.09 percent increase from US$31.1 billion recorded as at 31 December 2022;
- Net loans advances were at US$26.7 billion as at the end of 2023, which represented a 16.36 percent increase over the closing position in 2022;
- Liquid assets comprised 16.80 percent of the Group's Total assets as at 31 December 2023, compared to the prior year level of 14.71 percent;
- The non-performing loan (NPL) ratio as at 31 December 2023 stood at 2.47 percent compared to 3.40 percent as at 31 December 2022;
- The Cost to Income ratio for the Group stood at 19.09 percent for the year ended 31 December 2023, compared to 21.88% recorded for the year ended 31 December 2022;
- The Group achieved a return on average shareholders' equity and a return on average assets of 13.31 percent (2022: 9.91 percent) and 2.56 percent (2022: 1.87 percent), respectively;
- Basic earnings per equivalent of fully paid shares of the Group were US$8,478 (2022: US$6,040); and
- The Capital adequacy ratio closed at a sound level of 23.77 percent in 2023 (2022: 27.62 percent).

GROUP FINANCIAL PERFOMANCE

Net Interest Income and Margin

Net Interest Income for the Group grew by 58.67 percent to reach US$1.4 billion (FY'2022: US$910.3 million). This was largely driven by a 78.58 percent increase in Interest income which reached US$2.5 billion for the FY'2023. The reported growth in Interest income was driven primarily by the growth in the Bank's portfolio of Loans and advances, and higher yields achieved on account of higher interest rates. Interest Expense for FY'2023 was higher than the previous year, mainly due to the increased average cost of borrowings triggered by the increase in benchmark interest rates and increased level of borrowings.

The Net Interest Margin improved to 4.96 percent compared to the prior year's level of 3.83 percent. The favorable results reflected the impact of higher Interest Income recorded during the year as aforementioned.

Non-Interest Income

Total Fees and commission income, which was largely driven by the Bank's income arising from Guarantees, Letters of credit and client advisory services amounted to US$140.1 million (2022: US$104.7 million). Income from Guarantees and Letters of Credit grew by 7.96 percent to reach US$73.4 million for the year ended 31 December 2023, and this was mainly influenced by increased volume of unfunded business activities. The Bank earned Advisory fees income of US$57.7 million during the year ended 31 December 2023, (2022: US$33.9 million). This increase was largely attributable to the increased number of advisory mandates concluded during the year compared to the previous year.

OPERATING INCOME

The Group's total Operating income, which is the sum of Net interest income, Net fees and commissions income, and Other operating income, reached US$1.6 billion, a 54.70 percent increase over the 2022 level. This increase was primarily driven by a 74.20 percent growth in the Gross revenues which reached US$2.6 billion in 2023, (2022:US$1.5 billion), with Interest Income at US$2.5 billion (93.93 percent) (2022: US$1 billion (91.62 percent)) being the single biggest contributor to the Gross revenue. The growth in Gross revenue was underpinned by the growth in Interest income, driven by both the growth in interest-bearing assets and elevated global interest rates. Additionally, the growth in unfunded activities, and recovery efforts of previously written-off facilities, contributed to the growth in Gross revenue.

OPERATING EXPENSES

Operating expenses of the Group increased by 34.93 percent, reaching US$304.5 million (FY'2022: US$225.7 million). Although the Group's expenses were well contained and within budget, the relatively higher year-on-year growth in total Operating expenses in 2023 over 2022 was mostly driven by a 28.55 percent increase in Personnel expenses and a 42.23 percent increase in Administrative expenses which totaled US$128.3 million and US$159.1 million, respectively. The increase was mainly due to global inflationary pressures and enhanced human resources capacity to support increased business activities as envisaged in the five-year Sixth Strategic Plan currently under implementation until December 2026.

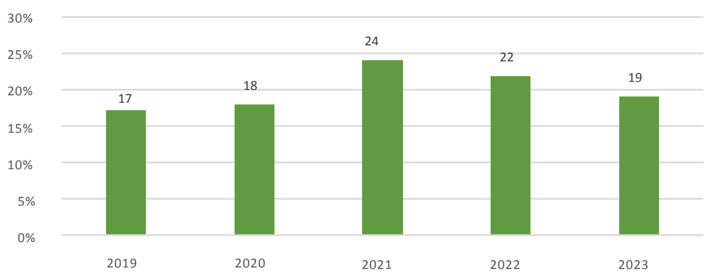
Depreciation and amortisation expenses for FY'2023 increased by 22.13 percent to reach US$17.1 million largely due to the increased depreciable assets of the Group.

The Bank accounted for 95.69 percent (FY'2022: 97.51 percent) of total expenses of the Group. Operating expenses of the subsidiary entities were US$13.1 million (FY'2022: US$5.6 million) for the FY'2023 and mainly comprised Personnel costs and Administrative expenses incurred by FEDA entities, AfrexInsure, AMCE and AQAC.

COST TO INCOME RATIO

The Cost to Income ratio for the Group for FY'2023 was 19.09 percent (FY'2022: 21.88 percent), and was in line with the strategic target range of 17 percent to 30 percent. This improved level of efficiency was achieved notwithstanding the 34.93 percent increase in Operating expenses.

Group Cost to Income Ratio: 2019–2023



EXPECTED CREDIT LOSS

The charge to the Group's Statement of Profit or Loss and Other Comprehensive Income in respect of Expected Credit losses (ECL) on financial instruments subject to IFRS-9 impairment amounted to US$576.6 million for FY'2023 (FY'2022: US$373.8 million). The increase in the ECL charge for the year is, in the main, due to the increase in lending activities, as evidenced by the 16.36 percent increase in Net loans and advances.

Although Loans and advances constituted 60.01 percent (compared to 59.91 percent in 2022) of the Group's total financial assets (including unfunded balances) as at FY'2023, they accounted for 96.96 percent of the cumulative Expected Credit Losses (ECL) as of that date (FY'2022: 92.18 percent). This disproportionate contribution of Loans and advances to the cumulative ECL was due to the perceived risks associated with Loans and advances compared to other financial instruments.

Table 1 IFRS-9 Staging of the Bank's Loans and advances

IFRS 9 STAGING - LOANS AND ADVANCES				
	31 December 2023			
	FY'2023			
	Stage 1	Stage 2	Stage 3	Total
	US$000	US$000	US$000	US$000
Gross Amount	25,730,151	1,674,873	693,412	28,098,436
Loss allowance	(140,487)	(556,550)	(356,863)	(1,053,900)
Modification loss	-	(7,756)	-	(7,756)
Suspended interest	-	-	(262,047)	(262,047)
Total provisions	(140,487)	(564,306)	(618,910)	(1,323,703)
Carrying amount	**25,589,664**	**1,110,567**	**74,502**	**26,774,733**

IFRS 9 STAGING - LOANS AND ADVANCES				
	31 December 2022			
	FY'2022			
	Stage 1	Stage 2	Stage 3	Total
	US$000	US$000	US$000	US$000
Gross Amount	21,099,883	1,914,034	808,810	23,822,727
Loss allowance	(52,854)	(259,204)	(334,988)	(647,047)
Modification loss	-	-	(882)	(882)
Suspended Interest	-	-	(208,457)	(208,457)
Total provisions	(52,854)	(259,204)	(544,327)	(856,386)
Carrying amount	**21,047,029**	**1,654,830**	**264,483**	**22,966,341**

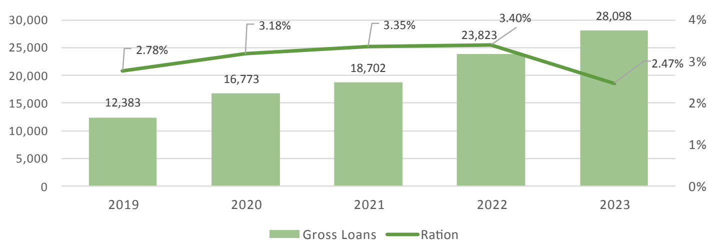
Stage 1 - Financial instruments with no significant increase in credit risk since recognition or having low credit risk at reporting date.

Stage 2 - Financial instruments with significant increase in credit risk since recognition but do not have objective evidence of impairment.

Stage 3 - Financial instruments with objective evidence of impairment at reporting date.

As shown in Table 1, total Loans and advances of the Bank classified under IFRS-9, as Stage 1 and Stage 2 on 31 December 2023, represented 97.53 percent (FY'2022: 96.60 percent) of the Bank's total gross Loans and advances. This is indicative of the consistently sound quality of the Bank's portfolio and the low probability of significant losses arising in the near term. The asset quality was within the Bank's risk appetite levels. The NPL ratio at 31 December 2023 was 2.47 percent (FY'2022: 3.40 percent). The ECL coverage ratio on Loans and advances was 3.75 percent (FY'2022: 2.70 percent).

Bank NPL Ratio (%) vs Gross Loans (US$ million): 2019–2023



The consistently sound quality of the Loans and advances portfolio, despite the increasingly challenging trading environment, demonstrates Management's deep knowledge of the African markets and is also a direct result of prudent Structured Trade Finance–based lending mechanisms and the benefits of Preferred Creditor Treatment across the Bank's member countries.

DIVIDENDS

Given the higher Net Income achieved during the year, and in line with historical trends, the Board of Directors recommended a dividend payout amounting to US$264.6 million (FY'2022: US$159.3 million) to shareholders, which is equivalent to a 35 percent (FY'2022: 35 percent) payout ratio. Furthermore, and in line with the resolution taken at the Annual general meeting of 2023, an additional special dividend for the concessionary financing window, amounting to US$50 million, was proposed for FY'2023 (FY'2022: US$50 million).

In making its recommendation on the level of dividends, the Board of Directors took into consideration, amongst other issues, the Bank's business requirements as well as the need to maintain a steady growth in dividend payments. The other factors considered included profit performance, inflation, and capital adequacy as well as the need to retain earnings to support ongoing business growth, thereby balancing internal and external financing.

As the Bank is raising capital to support business growth in terms of the General Capital Increase II (GCI-II), shareholders will have an option of acquiring additional ordinary shares of the Bank by receiving shares in lieu of dividend entitlement.

STATEMENT OF FINANCIAL POSITION

The Consolidated Statement of Financial Position shows the position of the Group's assets and liabilities as well as the Shareholders' funds as at 31 December 2023. A detailed discussion of the Group's assets and liabilities for the year ended 31 December 2023 is presented hereunder.

ASSETS

Total assets of the Group grew by 20.12 percent from US$27.9 billion as at FY'2022 to US$33.5 billion as at FY'2023. The growth in Group assets is largely on account of increases in Net loans and advances to customers and Cash and cash equivalents.

Loans and advances to customers closed FY'2023 at US$26.7 billion (FY'2022: US$23 billion) and constituted 78.84 percent (FY'2022: 82.43 percent) of the Total assets of the Group as at FY'2023. The growth in Loans and advances is on account of additional disbursements made during 2023 as the Bank continued to support its member countries through various product offerings.

The Bank's Loans and advances were mostly structured trade finance facilities, either funded directly by the Bank on a bilateral basis or within syndicates. An analysis of the loan portfolio by beneficiary as at end of 2023 showed that the share of corporates, including state-owned enterprises, was 34.20 percent (FY'2022: 36.19 percent), financial institutions' share was 50.10 percent (FY'2022: 52.07 percent) and sovereigns' (governments') share was 15.70 percent (FY'2022: 11.74 percent). In line with its strategy, the Bank provided financial institutions with lines of credit to support their trade finance business. This strategy, whilst enhancing the Bank's footprint on the continent, also enables financial institutions to support their local counterparties, who for various reasons, would not be able to access financing directly from the Bank.

The Bank achieved a wider geographical diversification of the portfolio, providing facilities in 45 African countries and 6 in the Caribbean Community (CARICOM) region.

Cash and cash equivalents which constituted 16.80 percent of the Total assets at FY'2023 (FY'2022: 14.70 percent) closed FY'2023 at US$5.6 billion (FY'2022: US$4.1 billion). The balance of cash and cash equivalents provided ample capacity to respond to market uncertainties in a timely manner and enables the Group to meet its obligations as they fall due.

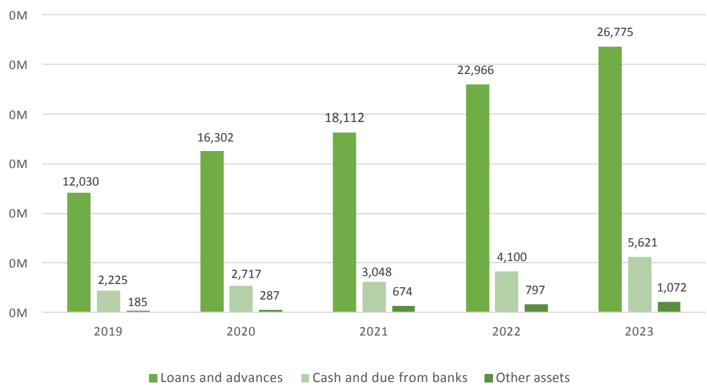
The Group's contingencies, which were made up of Letters of credit and Guarantees stood at US$3.8 billion as at FY'2023, compared to US$3.2 billion as at FY'2022. Resultantly, Total assets and Contingencies closed 2023 at US$37.3 billion (FY'2022: US$31.1 billion).

Undrawn commitments at FY'2023 stood at US$8.9 billion (FY'2022: US$7.6 billion).

Included in the Group's Total assets at FY'2023, were FEDA Holdings' impactful investments amounting to US$297.2 million (FY'2022: US$155 million).

A summary of the key assets of the Group is shown below.

Group Assets 2019–23 (US$ millions)



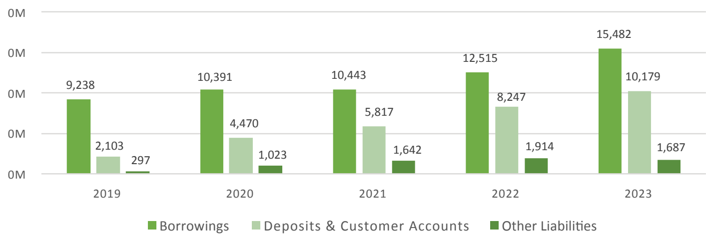
LIABILITIES

The Group's Total liabilities amounted to US$27.3 billion as at FY'2023. This represented a 20.71 percent increase from the US$22.7 billion reported as at FY'2022 and largely comprised the Bank's liabilities to fund lending activities. The increase in Total liabilities to US$27.3 billion as at FY'2023 was largely on account of US$3.5 billion net increase in bilateral and syndication facilities (Borrowings due to banks) and US$1.9 billion net additional deposits from customers (Deposits and customer accounts). The notable decrease in Debt securities in issue, from US$3.4 billion to US$2.9 billion, was primarily due to the repayment of matured bonds amounting to US$500 million.

As at FY'2023, Borrowings due to banks and Debt securities in issue accounted for 56.61 percent of the Bank's liabilities (FY'2022: 55.24 percent). Deposits and customer accounts accounted for 37.22 percent of the Bank's Total liabilities (FY'2022: 36.40 percent) and Money market deposits accounted for 5.03 percent (FY'2022: 7.35 percent) of the Bank's Total liabilities. This funding mix enabled the Bank to maintain a healthy balance of cost of borrowing despite the higher benchmark rates.

Included in the Group's Total liabilities position as at 31 December 2023, was US$2.3 million (FY'2022: 3.4 million) relating to liabilities payable by subsidiary entities to third parties.

Group Liabilities 2019–23 (US$ millions)



As can be seen from table above, the major component of Total liabilities over the past five years were Borrowings which was an aggregate of Borrowings due to banks and Debt securities in issue. In terms of the geographical distribution, the outstanding Borrowings were spread across mainland Europe, North and South America, the United Kingdom, Asia, the Middle East, and Africa.

SHAREHOLDERS' FUNDS

The Group Shareholders' funds, which largely mirrored the Bank's Shareholders' funds, recorded a solid growth of 17.55 percent to reach US$6.1 billion as at FY'2023 (FY'2022: US$5.2 billion). This growth was largely attributed to the US$349.8 million fresh equity contributions raised during the year as Shareholders supported the GCI II programme. The Net income of US$546.8 million generated during the year, net of 2022 appropriated dividends, also contributed to the growth in Shareholders' funds. The Bank's callable capital, a sizable proportion of which was credit enhanced as part of the Bank's capital management strategy, amounted to US$3.7 billion as at FY'2023 (FY'2022: US$3.1 billion).

CONCLUSIONS AND OUTLOOK

Despite the difficult global operating environment, the results of the Group for the financial year ended 31 December 2023 were ahead of expectations as well as prior year results. Management remained steadfast in implementing the 6th Strategic Plan and delivering value to stakeholders, and this resulted in the Group ending the year, once again, achieving a solid performance and attaining a healthy financial position.

Management is confident that the reported healthy financial position, together with the robust strategic measures put in place to manage the adverse effects induced by the increasingly difficult operating environment, provide a solid foundation for the future performance of the Group. The Group will continue to focus on maintaining a cautious balance between profitability, liquidity, and safety, with a view to ensuring a decent net interest margin and delivering profitable and sustainable growth and quality assets.

FINANCIAL RATIOS

	Dec-23	Dec-22
Profitability		
Return on Average Assets (ROAA)	2.56%	1.87%
Return on Average Equity (ROAE)	13.31%	9.91%
Operating efficiency		
Cost -to -income ratio	19.09%	21.88%
Asset Quality		
Non-performing loans ratio (NPL)	2.47%	3.40%
Liquidity		
Cash/Total assets	16.80%	14.71%
Capital Adequacy		
Capital Adequacy ratio	23.77%	27.62%

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	GROUP		BANK	
	2023 US$000	2022 US$000	2023 US$000	2022 US$000
ASSETS				
Cash and cash equivalents	5,621,887	4,099,624	5,621,431	4,099,238
Derivative assets held for risk management	3,763	-	3,763	-
Financial assets at fair value through profit or loss	297,205	196,263	-	42,500
Loans and advances to customers	26,722,831	22,966,341	26,774,733	22,966,341
Prepayments and receivables	145,595	126,945	203,842	126,969
Investment securities at amortised cost	318,838	244,118	318,837	244,118
Other assets	18,547	55,981	18,280	56,940
Property and equipment	328,712	162,213	226,130	162,002
Intangible assets	11,231	11,506	11,231	11,506
Investment in subsidiaries	-	-	295,542	184,380
Total assets	**33,468,609**	**27,862,991**	**33,473,790**	**27,893,994**
LIABILITIES				
Derivative liabilities held for risk management	25,751	48,578	25,751	48,578
Money market deposits	1,376,761	1,664,654	1,377,820	1,664,654
Borrowings due to banks	12,629,756	9,146,841	12,629,756	9,146,841
Deposits and customer accounts	10,178,933	8,246,748	10,188,316	8,268,791
Debt securities in issue	2,852,509	3,368,112	2,852,509	3,368,112
Other liabilities and provisions	284,121	181,265	281,463	178,860
Total liabilities	**27,347,831**	**22,656,198**	**27,355,615**	**22,675,836**
EQUITY				
Share capital	920,528	849,504	920,528	849,504
Share premium	2,188,009	1,909,267	2,188,009	1,909,267
Warrants	183,914	183,914	183,914	183,914
Reserves	1,438,869	1,156,592	1,438,869	1,156,592
Retained earnings	1,389,458	1,107,516	1,386,855	1,118,881
Total equity	**6,120,778**	**5,206,793**	**6,118,175**	**5,218,158**
Total liabilities and equity	**33,468,609**	**27,862,991**	**33,473,790**	**27,893,994**

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	GROUP		BANK	
	2023 US$000	2022 US$000	2023 US$000	2022 US$000
Interest income calculated using the effective interest method	2,483,271	1,390,530	2,485,121	1,390,530
Interest expense calculated using the effective interest method	(1,044,764)	(474,848)	(1,044,764)	(474,848)
Other interest expenses	5,868	(5,379)	(10,286)	(5,833)
Net interest income	**1,444,375**	**910,304**	**1,430,071**	**909,849**
Fee and commission income	140,051	104,717	139,950	104,717
Fee and commission expense	(9,535)	(6,216)	(9,535)	(6,216)
Net fee and commission income	**130,516**	**98,501**	**130,415**	**98,501**
Other operating revenue	20,556	22,518	20,416	22,518
Personnel expenses	(128,309)	(99,811)	(124,391)	(95,750)
General and administrative expenses	(159,060)	(111,832)	(150,840)	(110,326)
Depreciation and amortisation expense	(17,130)	(14,026)	(16,156)	(13,983)
Exchange adjustments	15,038	22,659	16,393	23,133
Fair value gain/(loss) from financial instruments at fair value through profit or loss	34,507	1,619	20,616	(4,130)
Fair value loss on modification of financial instruments at amortised cost	(7,756)	(882)	(7,756)	(882)
Credit losses on financial instruments	(576,633)	(373,758)	(576,633)	(373,758)
PROFIT FOR THE YEAR	**756,104**	**455,291**	**742,136**	**455,171**
OTHER COMPREHENSIVE INCOME				
Items that will not to be reclassified to profit or loss				
Gains/(Loss) on revaluation of land and buildings	17,466	(3,314)	17,466	(3,314)
Total items that will not to be reclassified to profit or loss	17,466	(3,314)	17,466	(3,314)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	773,571	451,977	759,603	451,857
Earnings per share				
Basic earnings per share (expressed in US$000 per share)	8.48	6.04	8.32	6.04
Diluted earnings per share (expressed in US$000 per share)	3.56	2.56	3.49	2.55

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share Capital US$000	Share Premium US$000	Warrants US$000	General Reserve US$000	Asset Revaluation Reserve US$000	Project preparation facility Fund reserve US$000	Retained Earnings US$000	Total US$000
Balance as at 1 January 2023	849,504	1,909,267	183,914	1,104,893	40,722	10,977	1,107,516	**5,206,793**
Total comprehensive income								
Profit for the year	-	-	-	-	-	-	756,104	**756,104**
Other comprehensive income								
Asset revaluation reserve	-	-	-	-	17,466	-	-	**17,466**
Transactions with equity owners of the Bank	-	-	-	-	-	-	-	-
Transfer to/(from) reserves	-	-	-	271,015	-	(2,209)	(268,806)	-
Project preparation facility fund utilisation	-	-	-	-	-	-	-	
Depreciation transfer: buildings	-	-	-	-	(3,996)	-	3,996	-
Warrants converted to equity on retirement date	-	-	-	-	-	-	-	-
Issued and paid in capital during the year	71,024	278,742	-	-	-	-	-	**349,766**
Dividends declared out of profit for the year ended 31 December 2022	-	-	-	-	-	-	(209,352)	**(209,352)**
Balance as at 31 December 2023	**920,528**	**2,188,009**	**183,914**	**1,375,908**	**54,192**	**8,768**	**1,389,458**	**6,120,778**
Balance as at 1 January 2022	647,312	1,219,219	160,952	938,629	46,156	12,184	927,904	**3,952,356**
Total comprehensive income								
Profit for the year	-	-	-	-	-	-	455,291	**455,291**
Other comprehensive income								
Asset revaluation reserve	-	-	-	-	(3,314)	-	-	**(3,314)**
Total other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-
Transactions with equity owners of the Bank	-	-	-	-	-	-	-	-
Transfer to/(from) reserves	-	-	-	166,264	-	(1,207)	(165,057)	-
Depreciation transfer: buildings	-	-	-	-	(2,120)	-	2,120	-
Warrants issue	-	-	22,962	-	-	-	-	**22,962**
Issued and paid in capital during the year	202,192	690,048	-	-	-	-	-	**892,240**
Dividends declared out of profit for the year ended 31 December 2021	-	-	-	-	-	-	(112,743)	**(112,743)**
Balance as at 31 December 2022	**849,504**	**1,909,267**	**183,914**	**1,104,893**	**40,722**	**10,977**	**1,107,516**	**5,206,793**

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share Capital US$000	Share Premium US$000	Warrants US$000	General Reserve US$000	Asset Revaluation Reserve US$000	Project preparation facility Fund reserve US$000	Retained Earnings US$000	Total US$000
Balance as at 1 January 2023	849,504	1,909,267	183,914	1,104,893	40,722	10,977	1,118,881	**5,218,158**
Total comprehensive income								
Profit for the year	-	-	-	-	-	-	742,136	**742,136**
Other comprehensive income								
Asset revaluation reserve	-	-	-	-	17,466	-	-	**17,466**
Transactions with equity owners of the Bank	–	–	-	-	-	-	-	-
Transfer to/(from) reserves	–	–	-	271,015	-	(2,209)	(268,806)	-
Depreciation transfer: buildings	-	-	-	-	(3,996)	-	3,996	-
Warrants issue	-	-	-	-	-	-	-	-
Warrants converted to equity on retirement date	-	-	-	-	-	-	-	-
Issued and paid in capital during the year	71,024	278,742	-	-	-	-	-	**349,766**
Dividends declared out of profit for the year ended 31 December 2022	-	-	-	-	-	-	(209,352)	**(209,352)**
Balance as at 31 December 2023	**920,528**	**2,188,009**	**183,914**	**1,375,908**	**54,192**	**8,768**	**1,386,855**	**6,118,175**
Balance as at 1 January 2021	647,312	1,219,219	160,952	938,629	46,156	12,184	939,389	**3,963,841**
Total comprehensive income								
Profit for the year	-	-	-	-	-	-	455,171	**455,171**
Other comprehensive income								
Asset revaluation reserve	-	-	-	-	(3,314)	-	-	**(3,314)**
Total other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-
Transactions with equity owners of the Bank	-	-	-	-	-	-	-	-
Transfer to/(from) reserves	-	-	-	166,264	-	(1,207)	(165,057)	-
Depreciation transfer: buildings	-	-	-	-	(2,120)	-	2,120	-
Warrants issue	-	-	22,962	-	-	-	-	**22,962**
Warrants converted to equity on retirement date	-	-	-	-	-	-	-	-
Issued and paid in capital during the year	202,192	690,048	-	-	-	-	-	**892,240**
Dividends declared out of profit for the year ended 31 December 2021	-	-	-	-	-	-	(112,743)	**(112,743)**
Balance as at 31 December 2022	**849,504**	**1,909,267**	**183,914**	**1,104,893**	**40,722**	**10,977**	**1,118,881**	**5,218,158**

CONSOLIDATED AND SEPERARE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	GROUP		BANK	
	2023 US$000	2022 US$000	2023 US$000	2022 US$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the year	**756,104**	**455,291**	**742,136**	**455,171**
Adjustments for:				
Expected credit losses on financial instruments	576,633	374,640	576,633	374,640
Fair value loss on modification of financial instruments at amortised cost	7,756	-	7,756	-
Depreciation of property and equipment	11,788	10,358	11,681	10,358
Amortisation of intangible assets	4,093	4,872	4,093	4,872
Other non-cash expenses	-	(20)	-	(20)
Net interest income	(1,444,375)	(909,849)	(1,430,071)	(909,849)
Fair value gain/(loss) from financial instruments at fair value through profit or loss	(34,507)	(1,619)	(20,616)	4,130
	(122,508)	**(66,327)**	**(108,387)**	**(60,698)**
Changes in:				
Financial investments held at fair value	-	55,677	-	55,677
Purchase of financial assets held at fair value through profit or loss	(122,294)	(109,954)	-	-
Loans and advances to customers	(4,034,056)	(5,074,633)	(4,034,056)	(5,074,633)
Prepayments and receivables	(8,718)	(19,202)	(66,941)	(14,957)
Other assets	31,407	20,316	32,633	19,153
Derivatives liabilities held for risk management	(5,974)	27,766	(5,974)	27,766
Money market deposits	(286,834)	253,579	(286,834)	253,579
Deposits and customer accounts	1,899,071	2,429,534	1,919,525	2,428,159
Other liabilities and provisions	(43,023)	(14,886)	(43,023)	(14,901)
	(2,692,928)	**(2,498,130)**	**(2,593,057)**	**(2,380,854)**
Interest received	2,181,703	1,246,530	2,181,703	1,246,530
Interest paid	(1,082,958)	(389,200)	(1,082,958)	(389,200)
Net cash used in operating activities	**(1,594,182)**	**(1,640,801)**	**(1,494,311)**	**(1,523,525)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property and equipment	(69,052)	(73,506)	(57,831)	(73,266)
Payments for software and development costs	(3,818)	(3,178)	(3,818)	(3,178)
Proceeds from sale of property and equipment	-	20	-	20
Purchase of financial assets held at amortised cost	(33,168)	-	(33,168)	-
Investments in subsidiaries	-	-	(111,162)	(117,901)
Net cash used in investing activities	**(106,038)**	**(76,663)**	**(205,979)**	**(194,325)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Issued and paid in capital during the year	272,323	826,608	272,323	826,608
Proceeds from issue of warrants	-	22,962	-	22,962
Dividends paid	(71,734)	(56,815)	(71,734)	(56,815)
Proceeds from borrowings due to banks	6,391,659	4,222,620	6,391,659	4,222,620
Repayment of borrowings due to banks	(2,879,308)	(2,003,832)	(2,879,308)	(2,003,832)
Proceeds from debt securities in issue	-	35,000	-	35,000
Repayment of debt securities in issue	(500,000)	(268,299)	(500,000)	(268,299)
Net cash inflows from financing activities	**3,212,939**	**2,778,244**	**3,212,939**	**2,778,244**
Net increase in cash and cash equivalents	**1,512,718**	**1,060,780**	**1,512,649**	**1,060,395**
Cash and cash equivalents at the beginning of the financial year	4,099,624	3,047,771	4,099,238	3,047,771
Effect of exchange rate fluctuations on cash and cash equivalents held	**9,544**	**(8,928)**	**9,544**	**(8,928)**
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	**5,621,887**	**4,099,624**	**5,621,431**	**4,099,238**

ABOUT AFRICAN EXPORT-IMPORT BANK

MANDATE

African Export-Import Bank (the Bank) is a multilateral trade finance institution, established in October 1993. It commenced operations in September 1994. The Bank's mandate is to promote, finance and facilitate intra-and extra-African trade while operating commercially. The Bank is headquartered in Cairo, Egypt.

AFREXIMBANK WHOLLY OWNED SUBSIDIARY ENTITIES

The Bank has 100% controlling interests in FEDA Holdings, FEDA Investments Company and FEDA Capital (collectively known as FEDA entities) which were incorporated in 2021. FEDA was established by Afreximbank to facilitate foreign direct investment flows into Africa's trade and export sectors and to fill the equity funding gap in the continent. The Bank incorporated Afreximbank Insurance Management Company (AfrexInsure) in 2021. The objective of this vehicle is to help Africa to retain, on the continent, a sizeable proportion of trade related written insurance premiums. Additionally, the Bank has also incorporated two entities: African Medical Centre of Excellence Limited (AMCE), whose principal activities include managing world-class medical and health facilities, and African Quality Assurance Centre Limited (AQAC), a company established to ensure that products made in Africa meet applicable international standards and technical regulations. AQAC offers testing, inspection, and certification services, including the provision of conformity assessment training

SHAREHOLDING

The Bank's shareholding is as shown in the table below:

Class	Type of Shareholder	Percentage of total shareholding (%)
A	African Governments and or their designated institutions and African Multilateral institutions	64.52
B	African financial institutions, and private investors in Africa	25.57
C	Non-African institutions	6.77
D	Any investor – Depository Receipts issued by the Bank on the Stock Exchange of Mauritius	3.14

NET ASSET VALUE

The Group's NAV shown below is calculated taking into account the impact of the Warrants in issue:

	31 December 2023	31 December 2022
NAV per share (US$)	63,683	58,500
NAV per Depository Receipt (US$)	6.37	5.85

DIVIDENDS

Given the higher Net Income achieved during the year, and in line with historical trends, the Board of Directors recommended a dividend payout amounting to US$264.6 million (FY'2022: US$159.3 million) to shareholders, which is equivalent to a 35 percent (FY'2022: 35 percent) payout ratio. Furthermore, and in line with the resolution taken at the Annual general meeting of 2023, an additional special dividend for the concessionary financing window, amounting to US$50 million, was proposed for FY'2023 (FY'2022: US$50 million).

In making its recommendation on the level of dividends, the Board of Directors took into consideration, amongst other issues, the Bank's business requirements as well as the need to maintain a steady growth in dividend payments. The other factors considered included profit performance, inflation, and capital adequacy as well as the need to retain earnings to support ongoing business growth, thereby balancing internal and external financing.

As the Bank is raising capital to support business growth in terms of the General Capital Increase II (GCI-II), shareholders will have an option of acquiring additional ordinary shares of the Bank by receiving shares in lieu of dividend entitlement.

NOTES

The Bank is required to publish financial results for the year ended 31 December 2023 as per Listing Rule 12.19 of the SEM. The abridged audited consolidated financial statements for the year ended 31 December 2023 ("financial statements") have been prepared in accordance with the requirements of IFRS and the SEM Listing Rules.

The accounting policies adopted in the preparation of these financial statements are consistent with those applied in the preparation of the audited financial statements for the year ended 31 December 2022.

The financial statements have been audited and reported on by the Bank's external auditors.

Copies of the abridged audited financial statements and the Statement of direct and indirect interests of each officer of the Bank, pursuant to Rule8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge, upon request to the Executive Secretary at the Registered Office of the Bank at No.72(B) El-Maahad El-Eshteraky Street, Heliopolis, Cairo 11341, Egypt.

This communique is issued pursuant to SEM Listing Rules 11.3 and 12.20 and Section 8.8 of the Securities Act of Mauritius 2005. The Board of Directors accepts full responsibility for the accuracy of the information contained in these financial statements. Directors are not aware of any matters or circumstances arising subsequent to the period ended 31 December 2023 that require any additional disclosure or adjustment to the financial statements.

On Behalf of the Board

African Export-Import Bank

Executive Secretary

SBM Securities Limited

SEM Authorised Representative and Sponsor

28 March 2024

FORWARD-LOOKING STATEMENTS

This document has information which constitute forward looking statements as described with words like “should”, “would”, “may”, “could”, “expect”, “anticipate”, “estimate”, “project”, “intend”, “believe”.

By their very nature, these statements require Management to make assumptions that are subject to risks and uncertainties, especially uncertainties related to the financial, economic, regulatory, and social environment within which the Group operates. Some of these risks are beyond the control of the Group and may make actual results that are obtained to vary materially from the expectations inferred from the forward-looking statements. Risk factors that could cause such differences include regulatory pronouncements, credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational, reputational, insurance, strategic, legal, environmental, and other known and unknown risks. As a result, when making decisions with respect to the Bank, subsidiary entities, or the Group as a whole, we recommend that readers apply further assessment and should not unduly rely on the forward-looking statements.

Any forward-looking statement contained in this document represents the views of Management and the Board of Directors as of the date hereof and they are presented for the purpose of assisting the Group’s investors and analysts to understand the Group financial position, priorities, anticipated financial performance in relation to the current period, and, as such, may not be appropriate for other purposes. Management does not undertake to update any forward-looking statement, whether written or verbal, that may be made from time to time, by it or on its behalf, except as required under applicable relevant regulatory provisions or requirements.

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